

Date: 14.02.2024

To
BSE Limited
PhirozeJeejeebhoy Towers
Dalal Street
Mumbai- 400001

Scrip Code – 540047/960018

National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
Mumbai – 400 051

Scrip Code - DBL

Subject: Monitoring Agency Report for the quarter ended December 31, 2023 - in relation to the Preferential Issue of warrants of the Company

Dear Sir/Madam,

Pursuant to Regulation 32(6) of SEBI (LODR) Regulations, 2015, please find enclosed Monitoring Agency Report with respect to the utilisation of Issue proceeds of warrants for the quarter ended December 31, 2023, issued by CRISIL Ratings Limited, Monitoring Agency.

The Monitoring Agency Report is also available on website of the Company www.dilipbuildcon.com

We request you to kindly take this information on your record.

For Dilip Buildcon Limited

Abhishek Shrivastava
Company Secretary

Encl aa

Regd. Office :

Plot No. 5, Inside Govind Narayan Singh Gate,
Chuna Bhatti, Kolar Road, Bhopal - 462 016 (M.P.)
Ph. : 0755-4029999, Fax : 0755-4029998

E-mail : db@dilipbuildcon.co.in, Website : www.dilipbuildcon.com

**Monitoring Agency Report for
Dilip Buildcon Limited
for the quarter ended
December 31, 2023**

CRL/MAR/DBL/2023-24/1083

February 14, 2024

To

Dilip Buildcon Limited

Plot No. 5, Inside Govind Narayan Singh Gate,
Chuna Bhatti, Kolar Road,
Bhopal-462016, Madhya Pradesh

Dear Sir,

Monitoring Agency Report for the quarter ended December 31, 2023 - in relation to the Preferential Issue of Dilip Buildcon Limited ("the Company")

Pursuant to Regulation 162A of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**") and Monitoring Agency Agreement dated November 07, 2023, enclosed herewith the Monitoring Agency Report, issued by CRISIL Ratings Limited, Monitoring Agency, as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of Preferential Issue for the quarter ended December 31, 2023.

Request you to kindly take the same on records.

Thanking you,

For and on behalf of CRISIL Ratings Limited



Sushant Sarode

Director, Ratings (LCG)

Report of the Monitoring Agency (MA)

Name of the issuer: Dilip Buildcon Limited

For quarter ended: December 31, 2023

Name of the Monitoring Agency: CRISIL Ratings Limited

(a) Deviation from the objects: Not applicable

(b) Range of Deviation: Not applicable

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit-related analyses. We confirm that we do not perceive any conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

Signature: 

Name and designation of the Authorized Signatory: Sushant Sarode

Designation of Authorized person/Signing Authority: Director, Ratings (LCG)

Ratings

1) Issuer Details:

Name of the issuer:	Dilip Buildcon Limited
Names of the promoter:	a. Dilip Suryavanshi b. Devendra Jain c. Seema Suryavanshi d. Suryavanshi Family Trust
Industry/sector to which it belongs:	Civil construction

2) Issue Details

Issue Period:	December 22, 2023
Type of issue (public/rights):	Preferential Issue
Type of specified securities:	Convertible Warrants
Grading, if any:	NA
Issue size:	Rs 532.42 crores*

*CRISIL Ratings shall be monitoring the net proceeds.

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information/certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Management undertaking, Statutory Auditor Certificate [^] , Final Offer Document, Bank Statements	No Comments	No Comments
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	NA	Management undertaking, Statutory Auditor Certificate [^]	No Comments	No Comments
Whether the means of finance for the disclosed objects of the issue has changed?	No		No Comments	No Comments
Is there any major deviation observed over the earlier monitoring agency reports?	No		No Comments	No Comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	NA		No Comments	No Comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA		No Comments	No Comments
Are there any favorable events improving the viability of these object(s)?	No		No Comments	No Comments
Are there any unfavorable events affecting the viability of the object(s)?	No		No Comments	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	No		No Comments	No Comments

NA represents Not Applicable

[^]Certificate dated February 01, 2024, issued by M/s M.K. Dandekar & Co. LLP, Chartered Accountants (Firm Registration Number: 000679S), Statutory Auditors of the Company.

4) Details of object(s) to be monitored:

i. Cost of the object(s):

Sr. No.	Item Head	Source of information/certification considered by MA for preparation of report	Original cost (as per the Offer Document) (Rs in crore)	Revised Cost (Rs in crore)	Comment of the MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Working capital loans	Management undertaking, Statutory Auditor Certificate [^] , Final offer document	400.00	-	No comments	No Comments	No Comments	No Comments
2	General Corporate Purposes [#]		132.95	132.42	Refer note below	No Comments	No Comments	No Comments
Total		-	532.95	-	-	-	-	-

[^]Certificate dated February 01, 2024, issued by M/s M.K. Dandekar & Co. LLP, Chartered Accountants (Firm Registration Number: 000679S), Statutory Auditors of the Company.

[#]The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds from the Issue.

Note:
The company has issued 1,62,46,108 warrants to investors, however only 1,62,29,862 warrants were subscribed at the time of allotment. Hence, the net proceeds have been revised from Rs 532.95 crores to Rs 532.42 crores, and the difference amount of Rs 0.53 crore has been adjusted with GCP, as per management undertaking and statutory auditor's certificate.

ii. Progress in the object(s):

Sr. No.	Item Head	Source of information/certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document (Rs in crore)	Amount utilized (Rs in crore)			Total unutilized amount (Rs in crore)	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
1	Working capital loans	Management undertaking, Statutory Auditor Certificate [^] , Final Offer Document, Bank Statements	400.00	Nil	Nil	Nil	400.00	No utilization during the reported quarter	No Comments	No Comments
2	General Corporate Purposes [#]		132.42	Nil	132.00	132.00	0.42	Refer note below	No Comments	No Comments
	Total		532.42	Nil	132.00	132.00	400.42	-	-	-

[^]Certificate dated February 01, 2024, issued by M/s M.K. Dandekar & Co. LLP, Chartered Accountants (Firm Registration Number: 000679S), Statutory Auditors of the Company.

Note:

Funds were transferred from current account of the Company maintained with UCO bank, separately opened for utilization of preferential issue proceeds, to UCO CC, Punjab National Bank CC, Karnataka Bank CC, Bank of Maharashtra CC, Canara Bank CC, Central Bank of India CC, Indian Bank CC, Union Bank of India CC, Bank of India CC, State Bank of India CC and IDBI Bank CC accounts of the Company for utilization towards GCP, as per management undertaking and statutory auditor's certificate. The aforementioned bank accounts are Company's cash credit account from where various expenses as mentioned under GCP head are paid off by the Company hence transferred funds were adjusted towards cash credit facility availed from these banks.

iii. Deployment of unutilised proceeds^:

S. No.	Type of instrument where amount is invested	Amount invested (in crore)	Maturity date	Earnings as on December 31, 2023 (in crore)	Return on Investment (%)	Market value as at the end of quarter (in crore)
1	Balance in current account of the Company maintained with UCO bank*	1.11	-	-	-	-

^On the basis of management undertaking and certificate dated February 01, 2024, issued by M/s M.K. Dandekar & Co. LLP, Chartered Accountants (Firm Registration Number: 000679S), Statutory Auditors of the Company.

*The Company has opened a separate bank account for utilization of proceeds from preferential issue.

Note:

25% of the warrants issue viz Rs 133.11 crores have been received by the Company during the reported quarter. Remaining 75% of the warrants issue viz Rs 399.31 crores shall be payable by the warrant holders at the time of exercising the conversion of warrant into equity shares, as per final letter of offer. Such warrants shall exercise within 18 months from the date of allotment.

iv. Delay in implementation of the object(s)^:

Object(s)	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the Offer Document	Actual		Reason of delay	Proposed course of action
Not Applicable					

^On the basis of management undertaking and certificate dated February 01, 2024, issued by M/s M.K. Dandekar & Co. LLP, Chartered Accountants (Firm Registration Number: 000679S), Statutory Auditors of the Company.

5) Details of utilization of proceeds stated as General Corporate Purpose^ amount in the offer document:

S. No.	Item heads	Amount (Rs in crore)	Remarks
1.	Expenses of the Company	Rs.132.00*	The aforesaid amount has been utilised towards vendor payments and LC payments for purchase of raw material & for rendering services in the normal course of business

^On the basis of management undertaking and certificate dated February 01, 2024, issued by M/s M.K. Dandekar & Co. LLP, Chartered Accountants (Firm Registration Number: 000679S), Statutory Auditors of the Company.

**Utilization towards GCP is approved by the Board of Directors of the Company vide resolution dated February 12, 2024.*

Disclaimers:

- a) *This Report is prepared by CRISIL Ratings Limited (hereinafter referred to as "Monitoring Agency" / "MA" / "CRL"). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.*
- b) *This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditors (or from peer reviewed CA firms) appointed by the Issuer believed by it to be accurate and reliable.*
- c) *Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.*
- d) *The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from auditors (or from peer reviewed CA firms), lawyers, chartered engineers or other experts, and relies on in its reports.*
- e) *The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.*
- f) *The MA report is intended for the jurisdiction of India only. This report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the report is to be construed as CRL providing or intending to provide any services in jurisdictions outside India, where it does not have the necessary licenses and/or registration to carry out its business activities referred to above.*
- g) *Access or use of this report does not create a client relationship between CRL and the user.*
- h) *CRL is not aware that any user intends to rely on the report or of the manner in which a user intends to use the report. In preparing this report, MA has not taken into consideration the objectives or particular needs of any particular user.*
- i) *It is made abundantly clear that the report is not intended to and does not constitute an investment advice. The report is not an offer to sell or an offer to purchase or subscribe for any investment in any securities, instruments, facilities or solicitation of any kind to enter into any deal or transaction with the entity to which the report pertains. The report should not be a basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in the US).*
- j) *The report comprises professional opinion of CRL as of the date they are expressed, based on the information received from the issuer and other sources considered reliable by CRL. Any opinions expressed here are in good faith, are subject to change without notice, and are only current as of the stated date of their issue. The report does not constitute statements of fact or recommendations to purchase, hold or sell any securities/instruments or to make any investment decisions.*
- k) *Neither CRL nor its affiliates, third-party providers, as well as their directors, officers, shareholders, employees or agents guarantee the accuracy, completeness or adequacy of the report, and shall not have any liability for any errors, omissions or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the report. CRL and each aforesaid party disclaims any and all express or implied warranties, including but not limited to any warranties of merchantability, suitability or fitness for a particular purpose or use or use. In no event shall CRL or any aforesaid party be liable to any user for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees or losses (including, without limitation, lost*

income or lost profits and opportunity costs) in connection with any use of any part of the report even if advised of the possibility of such damages.

- l) CRL has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with the preparation of this report. CRL has in place a code of conduct and policies for managing conflict of interest.*
- m) Unless required under any applicable law, this report should not be reproduced or redistributed to any other person or in any form without prior written consent from CRL.*
- n) By accepting a copy of this Report, the recipient accepts the terms of this Disclaimer, which forms an integral part of this Report.*